

ND RISK MANAGEMENT FUND

State Investment Board

Balance Sheet

As of 6/30/2003

	As of <u>6-30-03</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 767,961	\$ 925,267
INTERNATIONAL EQUITIES	0	327,532
DOMESTIC FIXED INCOME	1,216,170	1,651,129
INVESTED CASH (NOTE 1)	<u>506,444</u>	<u>347,620</u>
 TOTAL INVESTMENTS	 2,490,575	 3,251,548
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	48,844	49,790
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	268,003	386,924
DUE FROM OTHER AGENCIES (NOTE 3)	<u>63</u>	<u>-</u>
 TOTAL ASSETS	 <u>\$ 2,807,485</u>	 <u>\$ 3,688,262</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	965	2,427
SECURITIES LENDING COLLATERAL (NOTE 2)	268,003	386,924
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>204</u>
 TOTAL LIABILITIES	 268,968	 389,555
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,298,707	3,532,523
CASH IN DURING YEAR (NOTE 5)	0	-
CASH OUT DURING YEAR (NOTE 6)	965,000	150,000
NET INCREASE (DECREASE)	<u>204,810</u>	<u>(83,816)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>2,538,517</u>	 <u>3,298,707</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 2,807,485</u>	 <u>\$ 3,688,262</u>

ND RISK MANAGEMENT FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2003

	Month Ended <u>6-30-03</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 7,216	\$ 106,981
SECURITIES LENDING INCOME	314	5,297
	<u>7,530</u>	<u>112,278</u>
GAIN ON SALE OF INVESTMENTS	13,451	175,207
LOSS ON SALE OF INVESTMENTS	<u>9,846</u>	<u>242,071</u>
NET GAINS (LOSSES) INVESTMENTS	3,605	(66,864)
INVESTMENT EXPENSES	(1,435)	4,641
SECURITIES LENDING EXPENSES	278	4,613
SIB ADMIN EXPENSES	<u>197</u>	<u>982</u>
NET INVESTMENT INCOME	12,095	35,178
NET APPREC (DEPREC) MARKET VALUE	(3,853)	169,599
MISCELLANEOUS INCOME/(EXPENSE)	<u>0</u>	<u>33</u>
TOTAL INVESTMENT INCOME	<u>8,242</u>	<u>204,810</u>
NET INCREASE (DECREASE)	<u>\$ 8,242</u>	<u>\$ 204,810</u>

ND RISK MANAGEMENT FUND
Notes To Financial Statements
June 30, 2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.